

COMMISSIONER





ARIZONA CORPORATION COMMISSION

JACK ROSE EXECUTIVE SECRETARY

RECEIVED AZ CORP COMMISSION 0,M. 22

2 45 PM '97 Aug 15

DOCUMENT CONTROL

DATE:

August 15, 1997

DOCKET NO:

U-3175-96-479, E-1051-96-479, U-2428-96-417 and E-1051-96-417

TO ALL PARTIES:

Enclosed please find the recommendation of Arbitrators Jerry Rudibaugh, Barbara M. Behun and Scott S. Wakefield. The recommendation has been filed in the form of an Order on:

MCIMETRO ACCESS TRANSMISSION SERVICES, INC.; AT&T COMMUNICATIONS OF THE MOUNTAIN STATES, INC. AND U S WEST COMMUNICATIONS, INC. (ARBITRATION)

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Hearing Officer by filing an original and ten (10) copies of the exceptions with the Commission's Docket Control at the address listed below by 4:00 p.m. on or before:

AUGUST 25, 1997

The enclosed is NOT an order of the Commission, but a recommendation of the Hearing Officer to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Working Session and Open Meeting to be held on:

AUGUST 26 AND AUGUST 27, 1997

For more information, you may contact Docket Control at (602)542-3477 or the Hearing Division at (602)542-4250.

DOCKETED BY

EXECUTIVE SECRETARY

BEFORE THE ARIZONA CORPORATION COMMISSION 1 2 CARL J. KUNASEK CHAIRMAN 3 JIM IRVIN COMMISSIONER RENZ D. JENNINGS 4 COMMISSIONER 5 IN THE MATTER OF THE PETITION OF 6 MCIMETRO ACCESS TRANSMISSION DOCKET NO. U-3175-96-479 SERVICES, INC. FOR ARBITRATION OF DOCKET NO. E-1051-96-479 INTERCONNECTION RATES, TERMS AND CONDITIONS PURSUANT TO 47 U.S.C. 8 § 252(b) OF THE TELECOMMUNICATIONS ACT OF 1996. 9 10 IN THE MATTER OF THE PETITION OF AT&T DOCKET NO. U-2428-96-417 DOCKET NO. E-1051-96-417 COMMUNICATIONS OF THE MOUNTAIN STATES, INC. FOR ARBITRATION OF 11 INTERCONNECTION RATES, TERMS, AND 12 CONDITIONS WITH U S WEST COMMUNICATIONS, INC., PURSUANT TO 47 U.S.C. § 252(b) OF THE 13 TELECOMMUNICATIONS ACT OF 1996. **ORDER** 14 15 Open Meeting August 26 and 27, 1997 Phoenix, Arizona 16

BY THE COMMISSION:

17

18

19

20

21

22

23

24

25

26

27

28

DISCUSSION

On July 29, 1996, AT&T Communications of the Mountain States, Inc. ("AT&T") filed with the Arizona Corporation Commission ("Commission") a Petition for Arbitration of Interconnection Rates, Terms and Conditions ("Petition") pursuant to 47 U.S.C. § 252(b) of the Telecommunications Act of 1996 ("Act"), to establish an interconnection agreement with U S WEST Communications, Inc. ("U S WEST"). An arbitration was held on October 1 through 4, 1996. On December 10, 1996, the Commission issued Decision No. 59915 to resolve the issues submitted by the parties.

On September 4, 1996, McImetro Access Transmission Services, Inc. ("MCI" or "MCIm") filed a Petition to establish an interconnection agreement with U S WEST. An arbitration was held on October 22, 23 and 24, 1996. On December 18, 1996, the Commission issued Decision No. 59931 to resolve the issues submitted by the parties.

Decision Nos. 59915 and 59931 instructed the parties to prepare and sign interconnection agreements incorporating the terms of the Commission's resolutions within thirty days of the date of the Decisions. Pursuant to the parties' request, the parties received additional time in which to submit executed interconnection agreements. The parties were unable to resolve many of the disputes which arose, and no signed interconnection agreement was filed. On February 25, 1997, AT&T and MCI filed a Joint Request for Approval of Interconnection Agreement ("Joint Request") which contained issues that had been resolved through arbitration or negotiation, and AT&T and MCI's proposed resolution of unresolved issues. AT&T and MCI requested that the unsigned Joint Request be approved as an interconnection agreement.

Also on February 25, 1997, U S WEST filed a Statement Pursuant to R14-2-1506, in which it requested the Commission to reject all contract language submitted by AT&T and MCI which had not been arbitrated or negotiated. U S WEST also requested the Commission reject the contract language based upon arbitrated issues for which it had requested rehearing. Alternatively, U S WEST urged the Commission to adopt language proposed by U S WEST for the unresolved issues.

By Procedural Order dated March 10, 1997, an arbitration between U S WEST, AT&T and MCI regarding the unresolved issues was scheduled. The arbitration was held as scheduled, and recessed periodically to allow the parties additional time to resolve issues and narrow the remaining disputes. The arbitration concluded on May 29, 1997, at which time the arbitrators ruled on many of the disputed issues. The remaining issues were ruled upon by Procedural Order dated July 14, 1997, after briefing by the parties. On July 18, 1997, the Eighth Circuit Court of Appeals issued its decision in *Iowa Utilities Board v. Federal Communication Commission*, Nos. 963321, *et al.*, 1997 WL 403401, (8th Cir. 1997), which vacated certain provisions of the FCC rules. Interconnection agreements which incorporated the issues resolved in Decision No. 59915 and 59931, the parties' negotiated provisions, and the rulings in the July 14, 1997 Procedural Order were submitted to the Commission at Open Meeting on July 30, 1997.

During Open Meeting, the parties framed an issue which had not arisen previously in its present form, and requested that the issue be submitted for arbitration. By Decision No. 60308 (July 31, 1997), the Commission adopted the rulings of the arbitrators, approved the interconnection agreements, and submitted the following issue for arbitration:

the issues of combinations of network elements and whether the 1FB, 1FR¹ or other finished service can be requested as an unbundled network element, in light of the recent Court of Appeals 8th Circuit Opinion, with arbitrated contract language concerning those issues to be incorporated into the interconnection agreements.

On July 31, 1997, the Commission issued a Procedural Order governing submission of the issue for arbitration. On August 6, 1997, AT&T and MCI each filed a Supplemental Brief in response to the Procedural Order, and U S WEST filed a Brief Regarding Effect of Eighth Circuit Opinion Unbundling/Rebundling of Network Elements. On August 8, 1997, all parties filed Reply Briefs, and oral argument was held by teleconference. The following is the Commission's resolution of the final arbitrated issue arising from the requests of AT&T and MCI to arbitrate their interconnection agreements with U S WEST.

Issue: Combinations of network elements and whether 1FB and 1FR or other finished service can be requested as an unbundled network element, in light of the recent Court of Appeals 8th Circuit Opinion.

The FCC Rules stated:

- § 51.315(a) An incumbent LEC shall provide unbundled network elements in a manner that allows requesting telecommunications carriers to combine such network elements in order to provide a telecommunications service.
- § 51.315(b) Except upon request, an incumbent LEC shall not separate requested network elements that the incumbent LEC currently combines.
- § 51.315(c) Upon request, an incumbent LEC shall perform the functions necessary to combine unbundled network elements in any manner, even if those elements are not ordinarily combined in the incumbent LEC's network, provided that such combination is:
 - (1) technically feasible; and
 - would not impair the ability of other carriers to obtain access to unbundled network elements or to interconnect with the incumbent LEC's network.
- §51.315(d) Upon request, an incumbent LEC shall perform the functions necessary to combine unbundled network elements with elements possessed by the requesting telecommunications carrier in any technically feasible manner.

¹FB is U S WEST's standard business service, and 1FR is standard residential service.

 §51.315(e) An incumbent LEC that denies a request to combine elements pursuant to paragraph (c)(1) or paragraph (d) of this section must prove to the state commission that the requested combination is not technically feasible.

§51.315(f) An incumbent LEC that denies a request to combine elements pursuant to paragraph (c)(2) of this section must prove to the state commission that the requested combination would impair the ability of other carriers to obtain access to unbundled network elements or to interconnect with the incumbent LEC's network.

The Decision of the Eighth Circuit Court of Appeals allowed Rules 51.315(a) and (b) to remain in effect, but vacated Rules 51.315(c)-(f).

U S WEST's position²

U S WEST asserted that the Eighth Circuit's Decision vacating Rules 51.315(c)-(f) found that incumbent local exchange carriers ("ILECs") do not have to do all the work to recombine elements and therefore, it is not obligated to combine elements to form a service platform or call path. U S WEST claimed that network elements are combined temporarily to build a path for the duration of each telephone call. U S WEST argued that services such as 1FB and 1FR must be purchased at wholesale for resale; or elements should have to be combined with a network dedicated for a competitive local exchange carrier's ("CLEC's") use or combined with facilities of a CLEC, in order to be sold as telecommunications services.

U S WEST alleged that AT&T and MCI seek to purchase services as unbundled elements for the purpose of avoiding contribution to universal service. U S WEST claimed that its current 1FB service price exceeds its cost, and thereby subsidizes universal service. If 1FB service were available to CLECs at cost-based prices for unbundled elements, U S WEST argued, it would be unable to compete with CLEC offerings of 1FB service or would have to request authority to lower its 1FB service rate, and as a result, the universal service subsidy would evaporate. U S WEST also alleged that offering service platforms as unbundled elements shifts the risk associated with fluctuations in demand capacity from the CLECs to U S WEST.

U S WEST argued that Rule 51.315(b) is subject to a narrow interpretation. U S WEST claimed

In its briefs, U S WEST broadened the scope of the issue to be arbitrated beyond that which was submitted by the Commission. We will address only the issue set forth in Decision No. 60308 "combinations of network elements and whether 1FB, 1FR or other finished service can be requested as an unbundled network element, in light of the recent Court of Appeals 8th Circuit Opinion..."

that the part of the FCC Order which explains Rule 51.315(b) is geared towards the situation where a State Commission has broken down FCC-defined network elements into multiple subelements, and prevents the ILEC from disaggregating the federally defined element into its state subparts absent CLEC approval.

AT&T's position

AT&T argued that both FCC Rule 51.315(b) and the nondiscrimination requirements of the Act prohibit U S WEST from disassembling presently combined network elements for sale to new entrants except at the new entrant's request.

AT&T indicated that the Eighth Circuit's Decision vacated solely the FCC provisions which required an ILEC to combine elements which are not normally combined in the ordinary course of the running of a network, and left intact the provision that an ILEC shall not separate requested network elements that it currently combines. The Eighth Circuit also held that a competing carrier may achieve the capability to provide telecommunications services solely through access to the unbundled elements of an ILEC's network. 1997 WL 403401, *26.

AT&T also pointed out that the Eighth Circuit did not vacate FCC regulations that define individual network elements to include connections to adjacent elements, e.g. 47 C.F.R. § 51.319(a), (c) and (d), and access to separate adjacent elements, e.g. §51.319(e)(1)(ii) and (e)(2)(iii). AT&T also stated that the Eighth Circuit's Decision did not vacate an ILEC's duty to take whatever steps are required to allow CLECs to obtain access to network elements that are no less favorable than that which the ILEC provides to itself. Rule 51.313(b).

AT&T argued that no affirmative steps are required for an ILEC to discharge a duty when a CLEC orders network elements that are currently combined. AT&T claimed that it would be discriminatory when an new entrant places an order for an ILEC to disassemble the currently combined elements, only for the new entrant to then recombine them. AT&T asserted that U S WEST's position would require CLECs either purchase of dedicated facilities or finished services at resale, whereas the Act authorizes the capability to provide services completely through access to an ILEC's unbundled elements. *Iowa Utilities Board*, 1997 WL 403401, *25.

AT&T claimed that, contrary to U S WEST's assertions, routing a call through a network is

determined by the functions of the switch and signaling system, not as a result of any performance by U S WEST to combine elements. The Eighth Circuit upheld the FCC's conclusion that a network element purchased by a CLEC includes the facilities and equipment that are used in the overall commercial offering of telecommunications. The Eighth Circuit rejected arguments that an element is limited to the physical parts of a network which are directly involved in transmitting telephone calls from one point to another, and decided that services such as operational support systems should be available as unbundled elements. 1997 WL 403401, *25.

AT&T urged that the Commission reject U S WEST's assertion that a facility must be exclusively used by a CLEC for it to be a network element, and that a dedicated transportation network would have to be built in order for a CLEC to obtain transport as an unbundled network element. The signaling system, similar to a switch, cannot be partitioned so that a CLEC could have exclusive use to part of the facility. The requirement to construct a separate transportation network would be cost prohibitive, and would prevent a CLEC from being able to provide a switched service from unbundled elements. in violation of the Act, the FCC Order and the Eighth Circuit Opinion.

AT&T has not claimed that either 1FR or 1FB is a network element. AT&T has requested that it be permitted to purchase network elements that are combined in U S WEST's network, without U S WEST separating them for AT&T to recombine.

AT&T stated its willingness to comply with any universal service support system ordered by the Commission. AT&T indicated that present funding has been established by the Commission pursuant to A.A.C. R14-2-1204, not through any direct support from business to residential customers.

MCI's position

MCI argued similarly to AT&T that Rule 51.315(b) prevents U S WEST from separating requested elements which it currently combines, except upon request by a CLEC. MCI also claimed that the FCC Order Para. 295 was not a limitation upon the types of network elements that are combined by ILECs in general, but an example of combined network elements which would not be separated absent a request of a competitor.

MCI stated that it would be entitled to obtain combined elements which are combined by U S WEST for its own purposes. MCI claimed that if 1FR and 1FB are combined by U S WEST for itself,

²⁷ 28

then a CLEC would be entitled to those services as combined network elements.

In response to U S WEST's argument that MCI sought to purchase services as unbundled elements to avoid contribution to universal service, MCI assured the Commission that it was not attempting to avoid its universal service obligation. MCI is involved with the new task force to address universal service funding, and contributes to the fund as required.

Commission resolution

The FCC and the Eighth Circuit both agree that the Act § 251(c)(3) allows a requesting carrier access to an ILEC's unbundled elements which are sufficient to enable the carrier to provide telecommunications services. The Eighth Circuit also endorsed the FCC's statement that "the obligations imposed by sections 251(c)(2) and 251(c)(3) include modifications to incumbent LEC facilities to the extent necessary to accommodate interconnection or access to network elements." FCC Order, Para. 198, and 1997 WL 403401, *32, fn 33. CLECs must be allowed access to switching and transport functions in order to be able to provide services completely through unbundled elements.

The Eighth Circuit vacated rules which required ILECs to actively combine network elements solely for the benefit of CLECs, such as elements which are not presently offered as combined. U S WEST urged the Eighth Circuit to overturn Rule 51.315(b), but the Eighth Circuit Decision left intact Rule 51.315(b), which requires ILECs to provide combinations of elements which currently are combined.

Furthermore, the Eighth Circuit Decision allows an ILEC to refuse to actively combine elements to create new services upon request by a CLEC, which would then be purchased at unbundled rates and marketed by CLECs. The function of a switch and related elements to combine to form a call path is not the type of combination which causes an ILEC to perform a duty to combine elements, but is an intrinsic function and capability of the elements themselves. The function need not be permanent or exclusively dedicated to any carrier, but is available when the element is purchased. As with switching or operator services in general, there is no requirement that a portion of the element be partitioned for the sole use of a CLEC.

Consistent with the Act, the FCC Rules, and the Eighth Circuit Opinion, we find that Rule 51.315(b) allows a CLEC to order as combined those elements which an ILEC currently combines. The

22 · 23

Act enables a CLEC to purchase all of the elements necessary for a finished service on an unbundled basis. Therefore, the parties' interconnection agreements shall include the following language:

Attachment 3

1.2.2 U S WEST shall offer each Network Element individually and in Combinations as required by law, with any other Network Element or Network Elements in order to permit AT&T [MCIm] to combine such Network Element or Network Elements obtained from U S WEST or with network components provided by itself or by third parties to provide Telecommunications Services to its subscribers. AT&T [MCIm] may purchase unbundled Network Elements individually or in Combinations that U S WEST currently combines, without restrictions as to how those elements may be rebundled by AT&T [MCIm].

Attachment 5

3.2.15.1 AT&T [MCIm] may order individual and/or multiple unbundled Network Elements, and combinations of unbundled Network Elements as required by law, on a single order. AT&T [MCIm] may order Unbundled Network Elements without restriction as to how those elements may be rebundled. Except upon request, U S WEST shall not separate network elements that are currently combined.

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

FINDINGS OF FACT

- 1. U S WEST is certificated to provide local exchange and intraLATA telecommunications services to the public in Arizona, pursuant to Article 15 of the Arizona Constitution.
- 2. AT&T and MCI are certificated to provide local exchange and intrastate telecommunications services to the public in Arizona.
- 3. On July 29, 1996, AT&T filed with the Commission a petition for arbitration to establish an interconnection agreement with U S WEST.
- 4. On September 4, 1996, MCI filed with the Commission a petition for arbitration to establish an interconnection agreement with U S WEST.
- 5. On December 10, 1996, the Commission issued Decision No. 59915 which set forth its resolution of the issues in dispute between AT&T and U S WEST, and directed the parties to file a written interconnection agreement which included those terms which were voluntarily resolved between the parties and those on which the Commission directed a resolution.

- 6. On December 18, 1996, the Commission issued Decision No. 59931 which set forth its resolution of the issues in dispute between MCI and U S WEST, and directed the parties to file a written interconnection agreement which included those terms which were voluntarily resolved between the parties and those on which the Commission directed a resolution.
- 7. Additional issues in dispute arose between AT&T and U S WEST, and MCI and U S WEST when the parties attempted to prepare their interconnection agreements.
- 8. By Procedural Order dated March 10, 1997, the unresolved issues were scheduled for a combined arbitration between U S WEST, AT&T and MCI.
- 9. Decision No. 60308 approved the interconnection agreements between AT&T and U S WEST, and MCI and U S WEST, including negotiated and arbitrated provisions, and directed further arbitration on the issues of combinations of network elements and whether the 1FB, 1FR or other finished service can be requested as an unbundled network element, in light of the Eighth Circuit Decision. Decision No. 60308 ordered that arbitrated contract language concerning those issues to be incorporated into the parties' interconnection agreements.
- 10. On August 6, 1997, the parties filed briefs on the issues to be arbitrated. On August 8, 1997, the parties filed reply briefs, with oral argument held by teleconference on August 8, 1997.
- 11. The Commission adopts the resolution of this remaining issue as stated in the above Discussion, and incorporates that resolution herein.

CONCLUSIONS OF LAW

- 1. U S WEST, AT&T and MCI are public service corporations within the meaning of Article XV, Section 2 of the Arizona Constitution.
- 2. MCI and AT&T are telecommunications carriers within the meaning of 47 U.S.C. Section 252.
- 3. U S WEST is an incumbent local exchange carrier within the meaning of 447 U.S.C. Section 252.
- 4. The Commission has jurisdiction over U S WEST, AT&T and MCI, and over the subject matter of the application.
 - 5. The Commission's approval of the arbitrated language to be included in the parties'

interconnection agreements is just and reasonable, meets the requirements of the Act and all applicable 1 laws, and is in the public interest. 2 The Commission maintains jurisdiction over the subject matter of the interconnection 3 6. agreements and amendments thereto to the extent permitted pursuant to the powers granted the 4 Commission by the Arizona Constitution, Statutes, Commission Rule and the Federal Act and rules 5 promulgated thereunder. 6 **ORDER** 7 IT IS THEREFORE ORDERED that within thirty days from the date of this Decision, the parties 8 shall incorporate within their interconnection agreements the language approved in the above Discussion. 9 and file confirmation of such incorporation with the Commission. 10 IT IS FURTHER ORDERED that this Decision shall become effective immediately. 11 BY ORDER OF THE ARIZONA CORPORATION COMMISSION. 12 13 14 COMMISSIONER COMMISSIONER **CHAIRMAN** 15 IN WITNESS WHEREOF, I, JACK ROSE, Executive Secretary of the Arizona 16 Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 17 day of . 1997. 18 19 **EXECUTIVE SECRETARY** 20 21 22 DISSENT BMB:dap 23 24 25 26 27 28

1 2	SERVICE LIST FOR:	MCIMETRO ACCESS TRANSMISSION SERVICES, INC.; AT&T COMMUNICATIONS OF THE MOUNTAIN STATES, INC. and U S WEST COMMUNICATIONS, INC.		
3	DOCKET NOS.:		1-96-479; U-2428-96-417 and E-1051-96-417	
	DOCKET NOS	0-3173-90-479, E-103	1-70-477, 0-2426-70-417 and D-1031-70-417	
4			The court of the c	
5	LEX SMITH MICHAEL PATTEN		THOMAS H. CAMPBELL LEWIS & ROCA	
	BROWN & BAIN P.A.		40 NORTH CENTRAL AVENUE	
6	2901 N. CENTRAL AVE.		PHOENIX, ARIZONA 85003	
	PO BOX 400		ATTORNEYS FOR MCIMETRO ACCESS TRANSMISSION	
7	PHOENIX, ARIZONA 85001-0400		SERVICES, INC.	
	ATTORNEYS FOR ACSI, ELI, COX AND TGC PHOENIX			
8			THOMAS F. DIXON, JR.	
	TIMOTHY BERG		MCI TELECOMMUNICATIONS CORPORATION	
9	FENNEMORE CRAIG		707 SEVENTEENTH STREET	
10	3003 N CENTRAL AVE SUITE 2600		DENVER, COLORADO 80202	
10	PHOENIX. ARIZONA 85012-3913		THOMAS L. MUMAW	
11	WILLIAM OJILE, JR.		SNELL & WILMER, L.L.P	
11	NORTON CUTLER, JR.		1 ARIZONA CENTER	
12	U S WEST COMMUNICATIONS, INC.		400 EAST VAN BUREN	
1	1801 CALIFORNIA STREET, SUITE 510	0	PHOENIX, ARIZONA 85004-0001	
13	DENVER, COLORADO 80202		ATTORNEYS FOR BROOKS FIBER COMMUNICATIONS OF	
			TUCSON, INC.	
14	JOAN S. BURKE			
[2929 NORTH CENTRAL AVENUE, 21ST	FLOOR	DONALD A. LOW	
15	P.O. BOX 36379		SPRINT COMMUNICATIONS COMPANY, L.P.	
	PHOENIX, ARIZONA 85067-6379		8140 WARD PARKWAY 5E	
16	ATTORNEYS FOR AT&T COMMUNIC	CATIONS OF THE MT.	KANSAS CITY, MISSOURI 64114	
17	STATES, INC.		ODEC DATTEDSON	
1/	DANIEL WAGGONER		GREG PATTERSON RESIDENTIAL UTILITY CONSUMER OFFICE	
18	MARY E. STEELE		2828 N CENTRAL AVE, SUITE 1200	
	2600 CENTURY SQUARE		PHOENIX, ARIZONA 85004	
19	1501 FOURTH AVENUE		1102/1114/111125/11/00/	
1	SEATTLE, WASHINGTON 98101-1688	The second secon	CARRINGTON PHILLIP	
20	للماري والمراجع والمعاجب والمعاشعات والمراجع والمعاشعات والمراجع والمعاشعات والمراجع والمعاشع والمراجع والمراجع	en de la companya del companya de la companya del companya de la c	COX COMMUNICATIONS, INC.	
1	ERIC J. BRANFMAN		1400 LAKE HEARN DRIVE	
21	RUSSELL M. BLAU		ATLANTA, GEORGIA 30319	
	DOUGLAS G. BONNER			
22	SWIDLER & BERLIN CHARTERED		J WALTER HYER	
22	3000 K STREET, N.W., SUITE 300		AT&T WIRELESS SERVICES, INC	
23	WASHINGTON, D.C. 20007-5116	CONC. COMPANY INC.	10210 NE POINTS DRIVE, SUITE 400	
24	ATTORNEYS FOR MFS COMMUNICAT AND GST TUCSON LIGHTWAVE, INC		KIRKLAND WASHINGTON 98033	
27	AND UST TUCSON LIGHT WAVE, INC	 A series of the serie	JOSEPH S FABER	
25	DEBORAH S. WALDBAUM, ESQ.	en e		
	WESTERN REGION OFFICE		ONE EMBARCADERO CENTER SUITE 600	
26	201 NORTH CIVIC DRIVE, SUITE 210		SAN FRANCISCO CALIFORNIA	
- 1	WALNUT CREEK, CALIFORNIA 94596			
27		en e	JOHN LUNDIN	
	· ·		GALLAGHER & KENNEDY	
28			2600 NORTH CENTRAL AVENUE	
			PHOENIX ARIZONA 85004	

	l	
1	With copies to:	MS JOAN C HINSON
2	AD IOINIVELLY	TCA ARIZONA CHAPTER PRESIDENT
_	MR JOHN KELLY	TELECOMMUNICATIONS ASSOCIATION
3	EXECUTIVE ASSISTANT TO THE GOVERNOR	JOHN C LINCOLN HOSPITAL
ا آ	OFFICE OF THE GOVERNOR	250 EAST DUNLAP
4	1700 WEST WASHINGTON STREET PHOENIX AZ 85007	PHOENIX AZ 85020
· j	PROENIX AZ 65007	AAD DOLL IE NEUDING
5	RICHARD SILVER MAN	MR ROLLIE NEHRING
	GENERAL MANAGER	ARIZONA TELEPHONE COMPANY 5253 NORTH DROMEDARY ROAD
	SALT RIVER PROJECT - PAB300	PHOENIX AZ 85018
	P O BOX 52025	FROENIA AZ 63016
7	PHOENIX AZ 85072-2025	MS ELLEN CORKHILL
l	1110ENIX 742 03072-2023	COORDINATOR
8	MR CHARLES R MILLER	AARP
1	AT&T COMMUNICATIONS OF	5606 NORTH 17TH STREET
9	THE MOUNTAIN STATES	PHOENIX AZ 85016
- 1	2800 NORTH CENTRAL AVENUE SUITE 828	
10	PHOENIX AZ 85004	MR LEROY PILANT
		VALLEY TELEPHONE COOPERATIVE INC
11	MR RAYMOND HEYMAN	P O BOX 970
	ROSHKA HEYMAN & DEWULF	752 EAST MALEY
12	400 NORTH 5TH STREET SUITE 1000	WILLCOX AZ 85644
	PHOENIX AZ 85004	
13		MR KENNETH F MELLEY JR
- {	MS SUSAN MCADAMS	U S LONG DISTANCE INC
14	ELECTRIC LIGHTWAVE	9311 SAN PEDRO - SUITE 300
	P O BOX 4678	SAN ANTONIO TX 78216
15	VANCOUVER WA 98662	
		MS JEAN L KIDDOO ESQ
16	MR MICHAEL A MORRIS	SWIDLER & BERLIN CHARTERED
	TCG (TELEPORT COMMUNICATIONS GROUP)	3000 K STREET NW - SUITE 300
17	201 N CIVIC DRIVE SUITE 210	WASHINGTON DC 20007-3841
10	WALNUT CREEK CA 94596	
18		MR BOB WHIPPLE
10	ALAN SPARKS	STENOCALL
19	TECHNICAL OPERATIONS	1515 AVENUE J
20	COX COMMUNICATIONS	P O BOX 10127
20	17602 NORTH BLACK CANYON HWY	LUBBOCK TX 79408
21	PHOENIX AZ 85023	
21		MR MILE SCHULTIES
22	MR MICHAEL GRANT	TAFF MANAGER - REGULATORY
22	JOHNSTON MAYNARD GRANT & PARKER	ALLTEL SERVICE CORP
23	2300 GREAT AMERICAN TOWER	1 ALLIED DRIVE
23	3200 NORTH CENTRAL AVENUE	LITTLE ROCK AR 72202
24	PHOENIX AZ 85012	NAP PICK NACALLICTED
27	A CONTRACTOR OF THE CONTRACTOR	MR RICK MCALLISTER
25	MS JUDITH A D HOLCOMB	MANAGER REGULATORY
رے	U S WEST NEWVECTOR	ALLTEL WESTERN REGION
26	U S HWY 60 EAST OF MAGDALENA	P O BOX 3373 LITTLE ROCK AR 72203-3373
	POBOX 144 MAGDALENA NM 87825	CITTLE NOCK AN 14203-3313
27	MICHIGADALEMA MIN 0/022	•
	u .	

1	MR STEVE WHEELER - ATTORNEY	MR JOHN COLEMAN
11	SNELL & WILMER	ELECTRIC LIGHTWAVE
2	ONE ARIZONA CENTER	2600 NORTH CENTRAL AVENUE #300
	400 EAST VAN BUREN STREET	PHOENIX AZ 85004
3	PHOENIX AZ 85004-0001	
-		MR ERIC ARTMAN
4	MS BETH ANN BURNS - ATTORNEY	MFS COMMUNICATIONS CO INC
	CITIZENS UTILITIES COMPANY	185 BERRY ST., BLDG 1
5	2901 N CENTRAL AVENUE - SUITE 1660	SUITE 5100
	PHOENIX AZ 85012-2736	SAN FRANCISCO CA 94107
6		
ļ	ROD JORDAN	MR JOHN O LAUE
7	CITIZENS UTILITIES COMPANY	COMMUNICATIONS ENGINEERING SUPERVISOR
.	P O BOX 496020	CITY OF TEMPE
8	REDDING CA 96049-6020	MANAGEMENT SERVICES DEPARTMENT
		132 EAST 6TH STREET SUITE B109
9	JOE O'NEIL	TEMPE AZ 85280
	U S WEST NEW VECTOR GROUP	
10	MS B24	MR JOE HOMMEL
	P O BOX 96087	ELECTRIC LIGHTWAVE
11	BELLEVUE WA 98009-9697	8100 N E PARKWAY DRIVE SUITE 200
		VANCOUVER WA 98662
12	MR FRANK HATZENBUEHLER	
	U S WEST COMMUNICATIONS INC	MR FRED M SHEPHERD NCE
13	1801 CALIFORNIA STREET #5200	TELEPHONE DIVISION MANAGER
	DENVER CO 80202	TOHONO O'ODHAM UTILITY AUTHORITY
14	DENVEN CO TITLE	P O BOX 816
	MS. MAUREEN ARNOLD	SELLS AZ 85634
15	U S WEST COMMUNICATIONS	
	3033 N 3RD STREET	MR DAREL ESCHBACH
16	PHOENIX AZ 85012	EXECUTIVE DIRECTOR
	THOE MAY TEST OF THE STATE OF T	TELECOMMUNICATIONS SERVICES
17	MR JOE HANLEY MANAGER	ARIZONA STATE UNIVERSITY
	ARIZONA TELEPHONE COMPANY	BOX 870201
18	2236 WEST SHANGRI-LA ROAD	TEMPE AZ 85287-0201
	PHOENIX AZ 85029	
19		MR JIM BROSHAR
	MR SCOTT RAFFERTY	EXECUTIVE VICE PRESIDENT
20	C/O AREIE GROUP	ROCKY MOUNTAIN TELECOM ASSOCIATION
	4730 MASSACHUSETTS AVENUE	10105 EAST VIA LINDA SUITE 103-340
21	WASHINGTON DC 20016	SCOTTSDALE AZ 85258
	Williams	
22	MR JAMAL ALLEN ATTORNEY	MR TIM DELANEY
	O'CONNOR CAVANAUGH ANDERSON	BROWN & BAIN PA
23	WESTOVER & BESHEARS	2901 NORTH CENTRAL
	ONE EAST CAMELBACK - SUITE 1100	P O BOX 400
24	PHOENIX AZ 85012	PHOENIX AZ 85001-0400
	11	
25	MR TONY DITIRRO	MR PAUL SCHNEIDER
	MCI COMMUNICATIONS CORPORATION	ARIZONA BUSINESS GAZETTE
26	201 SPEAR STREET 9TH FLOOR	P O BOX 1950
	SAN FRANCISCO CA 94105	PHOENIX AZ 85001
27	SARTION COST STATE	

1	MR JEFFREY WEIR	PETER GLASER
	EXECUTIVE DIRECTOR	DOHERTY RUMBLE & BUTLER
2	SOUTHERN GILA COUNTY	1401 NEW YORK AVE N W SUITE 1100
	ECONOMIC DEVELOPMENT CORPORATION	WASHINGTON DC 20005
3	POBOX 1351	WASHINGTON BE 20003
l	GLOBE AZ 85502	TOM BADE
4	GEORE TE GOOD !	GREG RIGGLE
5	MS SUE WILLIAMS	GCB COMMUNICATIONS
	DIRECTOR REGULATORY AFFAIRS	1025 E BROADWAY SUIRE 201
	TELTRUST COMMUNICATIONS SERVICES INC	TEMPE ARIZONA 85282
6	221 NORTH CHARLES LINDBERGH DRIVE	TEMI E ARIZONA 65262
	SALT LAKE CITY UT 84116	MARTIN A ARONSON
7	Shell blike cit. For write	WILLIAM D CLEAVELAND
1	MR MIKE LAUGHLIN	ANGELA M CASTELLANO
8	DIRECTOR OF OPERATIONS	BEUS GILBERT & MORRILL
]	NORSTAN COMMUNICATIONS	3200 N CENTRAL SUITE 1000
9	6900 WEDGEWOOD ROAD	PHOENIX ARIZONA 85012
	MAPLE GROVE MN 55311	THOUNA ARIZONA 63012
10	MAI LE GROVE MIN 93511	JENNIFER S POMERY
	MR IVAN JOHNSON	U S WEST CELLULAR
11	VICE PRESIDENT OF PUBLIC AFFAIRS	3350 161ST AVENUE SE
	TIMES MIRROR CABLE TELEVISION	P O BOX 96087
12	17602 NORTH BLACK CANYON HIGHWAY	BELLEVUE WASHINGTON 98009
	PHOENIX AZ 85023	
13	7.702.4.4.7.1.2.3.3.4.2.	JODIE CARO
	JIM WORTHAM	MFS COMMUNICATIONS CO INC
14	ADMINISTRATOR	999 OAKMONT PLAZA DR APT 400
İ	FIRE DEPARTMENT COMPUTER SERVICES	WESTMONT ILLINOIS 60519-5516
15	CITY OF PHOENIX	
1	150 S 12TH STREET	IAN CALKINS
16	PHOENIX AZ 85034	PUBLIC AFFAIRS DIRECTOR
		PHOENIX CHAMBER OF COMMERCE
17	CATHERINE A NICHOLS	201 N CENTRAL AVE 27TH FLOOR
	TEP - LEGAL DEPARTMENT	PHOENIX ARIZONA 85073
18	220 WEST SIXTH STREET	
	P O BOX 711	JACK TRAHAN
19	TUCSON ARIZONA 85702	WESTERN ELECTRONICS AND
ł	•	COMMUNICATIONS
20	TERRY TRAPP, PRESIDENT	2332 KINGMAN AVENUE
ļ	U S COMMUNICATIONS UNLIMITED, INC	KINGMAN ARIZONA 86401
21	274 SNYDER MOUNTAIN ROAD	
	EVERGREEN COLORADO 80439	CINDY Z SCHONHAUT
22		MFS COMMUNICATIONS CO INC
{	J SCOTT NICHOLS	3000 K STREET N W SUITE 300
23	U S ONE COMMUNICATIONS	WASHINGTON DC 20007
	1320 CHAIN BRIDGE RD SUITE 350	
24	MCLEAN VIRGINIA 22101	JESSE W SEARS
25		ASSISTANT CHIEF COUNSEL
	TERRY ROSS	CITY ATTORNEY'S OFFICE
	CENTER FOR ENERGY & ECONOMIC DEV	CITY OF PHOENIX
26	7853 E ARAPAHOE COURT SUITE 2600	200 WEST WASHINGTON, 13TH FLOOR
	ENGLEWOOD COLORADO 80112	PHOENIX ARIZONA 85003-1611
27		
28		
/X 1	1	

- 1	PETER QUITEE M
2	REGULATORY LAW OFFICE USARMY LITIGATION CENTER
	901 N STUART STREET SUITE 713
3	ARLINGTON VA 22203-1837
4	CHARLES L BEST
_	ATTORNEY AT LAW
5	1220 S W MORRISON ST SUITE 805
6	PORTLAND OR 97205
_	WILLIAM POLLARD
7	KLP & ASSOCIATES
8	8526 TORWOODLEE COURT
"	DUBLIN OHIO 43017-9739
9	GARY YAQUINTO
10	GST TELECOM
10	ONE ARIZONA CENTER
11	400 E VAN BUREN SUITE 350
11	PHOENIX ARIZONA 85004
12	BILL MEEK
	AUIA
13	2100 N CENTRAL AVE SUITE 210
14	PHOENIX ARIZONA 85004
	JANET REGNER
15	BETTY PRUITT
16	ACAA
10	202 E MCDOWELL #255
17	PHOENIX ARIZONA 85004
10	LINDY FUNKHOUSER, CHIEF COUNSEL
18	LEGAL DIVISION
19	ARIZONA CORPORATION COMMISSION
19	1200 WEST WASHINGTON STREET
20	PHOENIX, ARIZONA 85007
	CARL DABELSTEIN
21	DIRECTOR UTILITIES DIVISION
22	ARIZONA CORPORATION COMMISSION
22	1200 WEST WASHINGTON STREET
23	PHOENIX, ARIZONA 85007
24	
25	The second secon